Fixation of Domestic Gas Price

†716. SHRI P. K. MAHESHWARI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to fix prices of domestic natural gas at par with fuel oil;

(b) if so, the reasons therefor;

(c) whether Government have received any representation from any State opposing such a proposal;

(d) if so, the State-wise details thereof; and

(e) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) to (e) Yes, Sir. Government has laid down a long term policy for development of hydrocarbon sector which, inter-alia, also provides phased deregulation of hydrocarbon sector and phased dismantling of administered Price Mechanism. In line with the above policy, the natural gas prices should be market determined. Some State Government such as, Andhra Pradesh, Maharashtra, Tripura, Uttar Pradesh, Madhya Pradesh, Rajasthan, Gujarat, Assam etc. have requested Government against any increase in price of natural gas. No decision has been taken in the matter by the Government. While deciding the issue all factors including requests of State Government will be taken into account.

Rise in International Oil Prices

717. DR. MANMOHAN SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what mechanisms are being adopted by the oil companies to fix the prices of petroleum products after the dismantling of the administered price system from 1st April, 2002;

(b) whether it is a fact that even now oil companies fix prices after consultation with Government;

(c) if so, on what principles Government's advice is based on;

†Original notice of the question was received in Hindi.